

**Roll Call - LIHEAP SERVICE PROVIDER MEETING – December 8, 2010**

Roll call was taken, the conference call phone was not working and was turned off.

Plumas County Community Development Commission

Metropolitan Area Advisory Committee

San Joaquin County Department of Aging, Children's and Community Services

Merced County Community Action Agency

Community Action Partnership of Orange County

Community Services and Employment Training, Inc.

Madera County Community Action Partnership

North Coast Energy Services

Community Enhancement Services

Pacific Asian Consortium in Employment

Maravilla Foundation

California/Nevada Community Action Partnership

Amador-Tuolumne Community Action Agency

City of Berkeley

Project Go

Association of California Community and Energy Services

So Cal Forum

Community Action Commission of Santa Barbara County

Contra Costa County Community Services Department

Long Beach Community Services Development Corp

Community Action Partnership of Riverside County

Community Action Agency of Butte County, Inc.

Self-Help Home Improvement Project, Inc.

Fresno County Economic Opportunities Commission

Spectrum Community Services, Inc.

Mariposa County Human Services Department

Community Resource Project, Inc.

Sacred Heart Community Service

Southern Cal Gas

Colusa-Glenn-Trinity Community Action Agency

County of Nevada Community Development Agency

Community Action Partnership of Kern

Redwood Community Action Agency

Community Action of Ventura County

Kings Community Action Organization, Inc.

County of Alameda

Community Services and Development (CSD)

**Approval of Minutes**

The minutes were not available. They will be approved at the next meeting.

**Director's Report**

Andrew Signey not available because of conflict in work schedule.

## DOE ARRA PROGRAM UPDATE

### Phase Two Funding and contract amendment

- CSD announced that the second half of Department of Energy (DOE) American Recovery and Reinvestment Act (ARRA) funding is approved to be released. CSD plans to release funding contingent on performance. Letters have been sent to under-performing Service Providers. A Request for Application (RFA) will be conducted starting the second week in December to find new providers. Existing Service Providers may apply for new territories and funding covered by the RFA.
- The DOE ARRA contract amendment is targeted for release on February 1, 2011. The priority measures and audit may not be incorporated into the amendment, in efforts to avoid delaying the issuance of second phase funding. CSD advised that standards will be developed to ensure that the priority list is implemented appropriately along with standards specific to energy audit protocols. The amendment will not alter the existing contract term; however, it will contain specific dates for implementing new contract provisions.
- A suggestion was made that the Executive Directors attend audit training to become familiar with how the audit works. CSD advised that the contract with Richard Heath & Associates (RHA) is due to expire shortly, impacting the ability to expand or alter training plans. CSD plans to initiate the procurement of a technical consultant. Once the new contract is in place, CSD will explore plans to modify training plans. In the interim, it was suggested that webinar trainings are conducted. CSD will evaluate potential solutions.
- Information to purchase the energy audit software will be sent out shortly. Additionally, RHA will send out utility information to update the tables in the energy audit software.

### Overview of DOE ARRA contract amendment changes –

- *Post inspections* – DOE requires that 100% of the units receive a post inspection. Currently the contract states differently, however, the 100% requirement will be in the amendment. CSD advised that Service Providers need to evaluate operations to determine if additional inspectors will need to be hired to ensure meeting the 100% post inspection requirement. CSD emphasized that providers must make all feasible attempts to conduct post inspections on all prior billed units that did not receive a post inspection. Circumstances preventing the inspections from taking place must be documented. If post inspections cannot be completed, then a third party inspector may be sent out to assist with completing the post inspections.

Currently, the State has an 87% rate of post inspections. CSD established February 7, 2011 as the cutoff to perform post inspections on prior billed units. Service Providers must assure that there are no health and safety issues in these units. CSD advised that

Service Providers will be reimbursed for the cost of the inspection under the post inspection line item. Central Coast Energy Services will advise the Service Provider network on how to report these units in ServTraq.

The Service Providers expressed that it is difficult to hire qualified inspectors and complete the training requirements timely. CSD advised that RHA is ramping up the training for inspectors by the first of the year, and will work with RHA to determine the best way to accelerate the delivery of these trainings. The Service Providers advised that the certificates are not issued timely. Should the certificates be needed immediately, contact Leslie Campanella at CSD.

- *Priority Measure Protocols* – CSD advised that the new assessment form ensures that the priority list will be used correctly. The form has the sequential order that the measures must be completed. Service Providers must follow the sequence or it must be documented. Simply stating that a measure will not be applied is not acceptable. The form will be a requirement and implemented in the upcoming amendment. The form can be generated by ServTraq and kept in the file. CSD recommends that the form should be completed at the assessment time but as long as the information is from the assessment or the assessor it should be fine.

CSD explained that “NA” on the priority list means the measure did not meet the Savings to Investment Ratio (SIR) and the audit will be needed to install additional measures. Any deviation from the priority list criteria, then the Service Provider will be required to use the audit to determine additional measures installed.

- *Contract Advance Payments* – Bureau of State Audits (BSA) found that CSD’s advance policy did not meet federal rules for repayment. CSD has been working with BSA and DOE to resolve this problem. CSD proposed an advance concept at this meeting that would combine both a working capital advance and a draw down concept that has since been rejected by DOE.

#### ARRA Production Goals

DOE performed a fiscal analysis on each states’ ARRA production to determine if the production and expenditures are in alignment. California is expending an average of \$1268 per unit and, at the time of the analysis, expended 21% of the funds. In order to expend all the funds, it is imperative that each Service Provider increase the unit average by installing all allowable measures. CSD emphasized that not expending 100% of the funding could affect future funding levels. CSD is exploring several options to achieve full expenditure at both the State and local level such as shifting funds from one area to another, reallocating state administration and training and technical assistance funds to Service Providers, and conducting an Request for Proposal (RFP) to solicit providers for underperforming areas. The Governor’s office and the legislation are aware that the State may not fully expend all the ARRA funding.

#### Production Update

As of November, there has been a gradual slow down with 1872 units completed and 20,202 total for the State for the year. 50,487,000 million has been expended or 27% of the total or 50% of the first half.

#### SHPO Update

There is now an online HPO system that will go live by January 3, 2011. The system has been tested by CRP and RCAA. A training schedule will be sent out to the Service Provider network. By December 16, 2010 a testing version of the system will be available for Service Providers to practice using the system.

#### Third party inspection

CSD administered a RFP to find an inspection entity and ConSol was selected. In addition, there will be changes to CSD oversight over the Quality Assurance (QA) program and how ConSol performs QA reviews of Service Providers. CSD staff will also be trained to perform inspections after the first of the year, and RHA will train ConSol. CSD staff will be performing QA reviews on a small percentage of weatherization projects.

### **LIHEAP PROGRAM**

Overview of proposed 2011 Contract Changes – CSD advised that the draft 2011 LIHEAP contract is on the website and comments are due by December 22.

2010 & 2011 PY Eligibility Guidelines – the 2011 LIHEAP program has established a 60% State Median Income (SMI) requirement. The 2010 LIHEAP program will remain at 75% SMI.

2011 PY LIHEAP Funding & Allocation Spreadsheet – 2011 LIHEAP funding is under a continuing resolution and approximately 118 million has been released to California. Budget negotiations propose reducing the LIHEAP appropriation to 3.3 billion nationally, approximately 40% of the 2010 funding levels. CSD is in the process of finalizing the allocation spreadsheet.

2011 LIHEAP Cash Assistance Program Implementation Update – Start up packages for PY 2011 will be sent out December 20. The last transfer for 2010 LIHEAP cash assistance records under existing payment schedule will be December 28. The new income guidelines will be reflected in ServTraq for 2011 LIHEAP. 2010 LIHEAP guidelines will remain the same until June 2011.

CSD found there are many inconsistencies on how Service Providers attempt to obtain total gross income documentations. All persons within the household need to either show income or no income and be documented in the client file. Service Providers have been asked to send CSD the forms used on disclosure of all income. Send this information to Don Williams at CSD.

#### **2009 DOE (Annual Grant) Contract**

2010 DOE funds of \$4 million will be added to the 2009 DOE contract. This contract ends June 30, 2011. There will be no extensions. There is about \$15 million in this year's contract as opposed to \$5 million.

**DOE and LIHEAP Client Data Centralization**

CSD is looking to develop a system to support the aggregation of all electronic LIHEAP/DOE client records at CSD. To accomplish this will require the development of a file transfer process to transfer LIHEAP/DOE weatherization, LIHEAP Wood, Propane and Oil, LIHEAP Heating and Cooling files to CSD. CSD will leverage this information to complete the LIHEAP Household report and comply with the new reporting requirements for unduplicated household counts. In addition, the client file transfer will assist CSD QA review activities such as improving the selection of units and scheduling.

**Solar For All**

CSD announced that 90 homes have been completed. NCES and Fresno are doing great. The others are working towards their goals.

**Association Updates**

Cal/Neva will be in Los Angeles in April 2011. ACCES will have a two day summit in January, 2011. Southern Cal Forum will have their general meeting in February 2011.

Lois Carson will retire in December 2010. Andrew Signey is the Acting Director of CSD and Denise Arend is the Acting Chief Deputy Director. The Energy Council has been dissolved a new entity will be appointed. LSP is in statute and will continue. GAO will be sent out to review the State. They will look at client files and eligibility and quality of services.

**Adjournment:** 2:20pm